

NEWS FROM THE CAPITOL

prepared by

Karin Carreau, MSW

Carreau Consulting @ The Elk Street Group

Report on Governor Cuomo's 2017 State of the State Address

An ambitious road map potentially impacting all sectors:
Education, Health Care, Criminal Justice System, Environment,
Economy & Ethics

In a break with tradition harkening back to 1923 when then Governor Al Smith delivered the first annual State of the State Address at the Capitol, Governor Cuomo, instead, took his message on the road this year and delivered a slightly varied message in six separate locales. In the span of three days, the Governor delivered the six regional State of the State addresses in New York City, Western New York, the Hudson Valley, Long Island, the Capital Region and Central New York.

While each of the presentations had a regional focus and announcements for specific plans specific to the locale, there were many common elements of the plan united by the theme of "Excelsior, Ever Upward." Not unexpectedly, the Governor took the opportunity to tout the progress that has been made under his leadership, using a number of barometers as evidence, including: the reduction in the unemployment rate to 5.1 percent, the rise in the number of private

sector jobs to 7.9 million, reduction in the annual growth of State spending to 1.4 percent, lowering of income, business and corporate taxes while making strategic investments in communities across the State and in infrastructure.

Recognizing the coming shifts in the national political landscape as well as ongoing statewide economic anxieties many are feeling, Governor Cuomo's plan for 2017 focused, in large part on his Middle Class Recovery Act, an initiative which will target three key areas: jobs and infrastructure; access to education: and lower taxes. In addition, he is advancing a number of social justice issues in his "New York Promise Initiative" a broad based plan to address criminal justice reform, protections for

Statistics on State of the State Addresses: To put it in numbers, Governor Cuomo spent: three days giving six speeches, totaling nine hours, traveling 1,300 miles, addressing over 6,500 attendees, putting forth 149 proposals, and using more than 1,000 PowerPoint slides.

for immigrants and the homeless, the environment and ethics reform.

While the Governor touted 35 major proposals in his remarks, the Governor's State of the State written report to the Legislature covers an additional 114 for a total of 149 as per the box above. Below, is our best attempt to summarize some of the most pertinent as well as those that have not received as much of the spotlight. For your reference, we have also indexed the page numbers in the summary below so you can refer to the State of the State book for further detail (note: link for the book is in box at the end of the report). Bear in mind that the next part in the process comes next week: Governor Cuomo will unveil his Executive budget proposal for the upcoming fiscal year (2017-18).

EDUCATION AND FAMILIES

• Tuition-Free College at SUNY and CUNY - Students from families making under \$125,000 would qualify under the Governor's proposal, which is estimated to impact 940,000 families. The program would start immediately for families making up to \$100,000

- annually and be phased in over the next two years for families making up to \$125,000.

 Students would be required to take a full 15-credit course load a semester to qualify for the program, which will be administered through the Excelsior Scholarship with the Governor allocating \$163 million for it in the Executive budget. (Pgs. 128-130)
- Proposal for new Enhanced Middle Class Child Care Tax Credit to assist families with high cost of child care. (Pgs.143-144)
- Protections for students under the Human Rights Law -Governor Cuomo will seek legislation to extend the Human Rights Law to students attending public schools, which the courts have ruled currently only applies to private school students. (Pgs. 338-339)
- Cyberbullying Governor will update New York's law to protect youth against cyberbullying as well as launch a \$300,000 public campaign

- against cyberbullying, which will be based upon a competition that invites students to create "...the most creative, compelling anticyberbullying Public Service Announcement or digital application." The Office of Children and Family Services will be tasked with offering training to schools counselors on cyberbullying. (Pgs. 344-345)
- Suicide The New York State
 Suicide Prevention Task Force
 will be established, which
 include a wide ranging group of
 stakeholders to examine
 current programs and efforts
 under way to combat suicide as
 well as prepare
 recommendations for
 additional measures. (Pgs. 345346)

HEALTH CARE

- Repeal of the Affordable Care
 Act Governor briefly
 addressed the repeal of the
 Affordable Care Act pledging
 the State "...will not go back to
 a place where nearly 3 million
 (New Yorkers) are uninsured
 or Medicaid is decimated or
 our world class health system is
 dismantled."
- Comprehensive Plan to Reign in Cost of Prescription Drugs (Pgs. 256-261) - Governor has three part plan:
 - o Establishing a price ceiling for certain high cost prescription drugs as set by the New York's Drug Utilization Review Board (DURB), which would decide which drugs fit such a classification based on clinical and economic information provided by manufacturers. Regarding the types of drugs to be included in the plan, the Governor indicates it would include certain newlyapproved drugs with a launch price found to be excessive; drugs whose prices are deemed excessive based on the therapeutic

- value they offer compared to lower-cost drugs/options; and, generic drugs with a price increase year-over-year over 75 percent.
- Require pharmacy benefit managers (PBMs) to register with State, obtain a license, as well as mandating certain disclosures from PBMs, such as financial incentives for promoting certain drugs and pricing information.
- Surcharge will be placed on drugs that exceed the benchmark price set by the DURB. The surcharges will be paid to the Department of Financial Services (DFS). The funds raised from the surcharge will be sent back to insurers and health plans to lower insurance premiums for policyholders the following year.

Six Point Plan to Combat Opioids and Heroin - Despite the enactment of legislation in 2014 and again last year, Governor Cuomo put forth a multi-faceted plan to continue to combat the epidemic surrounding overdoses on opioids and heroin as follows (Pgs. 314-322):

- Prior Authorization would be removed for "any substance use disorder treatment."
- Fentanyl analogs, a synthetic opioid, would be added to New York's controlled substances schedule, which subjects them to criminal penalties. In addition, the Governor proposes giving the Executive emergency authority to add new substances to the State's controlled substances schedule, which would be based on the recommendation of Commissioner of Health and other experts.
 - Increasing the number health care providers to prescribe buprenorphine - The Governor is tasking the Department of Health with recruiting more physicians, nurse practitioners and physician's assistants to become prescribers of buprenorphine. Under the Governor's plan, "The Department will do this by offering regional trainings for providers to become registered, offering mentoring for new buprenorphine prescribers, and expanding the number of locations where buprenorphine is available."

- Establish ten 24/7 urgent access centers, one in each region of the State staffed with clinical staff that can perform assessments and make level of care determinations.
- Extend the requirement to consult the Prescription Monitoring Program registry to prescribers in hospital ERs.
- Establish recovery high schools, inviting Boards of Cooperative Education Services to submit proposal to establish one such school downstate and one upstate, which will be open to all high school aged students diagnosed with a substance use disorder and who make a commitment to recovery.

- bail, while calling for the adoption of risk assessments for bail determinations.
- Strengthen the right to a speedy trial. The chief judge for New York will also be consulted for recommendations for additional administrative and legislative measures that would assist with efforts to assure a speedy trial.
- Proposal to decriminalize marijuana in certain instances, while upholding penalties for those who supply and sell the drug. (Pg. 191-193)
- Expanding access to veterans treatment courts. (Pg. 213)

SERVICES FOR HOMELESS AND RUNAWAY YOUTHS

- Services at Shelters: Governor will direct Department of Health, Office of Mental Health, Office of Alcoholism and Substance Abuse Services and the Office of Temporary Disability Services to come together and engage homeless shelters and local health care networks to expand the availability of health, mental health and substance use disorder services for shelter residents. The plan includes increasing access to outreach workers for Medicaid Health Home Care Management System, while calling for the establishment of ten new **Assertive Community** Treatment (ACT) teams in key areas of the State. (Pgs. 199-202)
- Homeless Youth: Governor will propose legislation to allow counties to allow runaway and homeless youth to stay in crisis shelters for up to 120 days, up from the current limit of 30 days, while also increasing the maximum length of stay in residential independent living to 24 months (current limit is 18 months). In addition, the

CRIMINAL JUSTICE REFORM

Proposals for criminal justice reform include (Pgs. 175-199):

- Raise the age of criminal responsibility from 16 to 18.
- Reform the bail process and reduce pretrial detentions, including allowing judges to evaluate an individual's risk to public safety when determining

proposal calls for providing with the option of serving youth ages 21 to 24 in residential programs. (Pgs. 203-205)

• Execute \$2 billion memorandum of understanding with legislative leaders to allow the creation of 100,000 affordable and supportive housing units over the next five years. (Pg. 207)

ENVIRONMENT

- Indian Point Nuclear Power Plant will cease all operation by 2021 with Unit 2 closing in April 2020 and Unit 3 closing in April 2021. (Pgs. 324-327)
- Proposal for the Department of Environmental Conservation and the New York State Energy Research and Development Authority to study the timing, costs, and feasibility to reaching 100 percent renewables statewide. (Pgs. 230-231)
- Proposal to develop a Methane Reduction Plan to be implemented over three years, which includes the regulation of emission sources from new or

- modified equipment in the oil and gas sector, not covered under the EPA. (Pgs. 231-233)
- Proposal for a \$2 billion clean water infrastructure act geared toward projects improving municipal drinking water systems, municipal waste water treatment systems and implementing the recommendations of the Source Water Protection Plans. (Pgs. 219-222)
- Maintain \$300 million for Environmental Protection Fund (Pg. 234)
- Creating the Empire State Trail - This would create a 750-mile multi-use trail by 2020 connecting New York City to the North Country and Albany to Buffalo. Heralded as an economic development tool and opportunity to boost tourism by building off the existing Erie Canalway Trails and Hudson River Valley Greenway, this requires 350 new miles to be paved. This would be completed in three phases for a total cost of \$200 million. (Pgs. 91-94)

• Proposals to: (1) grow offshore wind projects with the goal of developing 2.4 gigawatts of offshore wind by 2030; (2) invest \$360 million in 11 renewable energy projects; and (3) expanding the number of electric vehicle charging stations along the Thruway and at workplaces. (Pgs. 54-63)

ECONOMIC DEVELOPMENT/INFRASTRUCTURE/ TAXES

- Proposal to allow ride sharing companies, such as Uber and Lyft to operate in upstate New York pursuant to certain conditions. (Pgs. 85-87)
- Proposals to build new John F. Kennedy International Airport and overhaul several upstate airports and train stations. (Pg. 37)
- Launch another round of the regional economic development councils, allocating \$750 million for investment. (Pg. 76)

- Property Taxes Instruct county officials to develop localized plans for sharing services and other ways to reduce duplicative services with other municipalities as a way of reducing property taxes. Plans would go before voters in November 2017. (Pgs. 140-143)
- Buffalo Billion Phase II Proposal to allocate \$500 million to launch the second phase to continue to energize entrepreneurship and innovation in the region. (Pgs. 73-75)
- New York Buy American Act Proposal that for procurements over \$100,000 state entities buy American. (Pg. 51)

ETHICS REFORM

The main elements of his reform plan include (Pgs. 295-308):

- Proposal for constitutional amendment to limit outside income for legislators to 15 percent of their base salary and establishing a full-time legislature.
- Proposal for constitutional

- amendment that would create four year terms for legislators and limit legislators to two fouryear terms (total of eight years).
- Require legislators obtain an advisory opinion from the Legislative Ethics Commission before earning outside income.
- Close the so-called LLC loophole, which has allowed individuals and corporations to circumvent campaign finance contribution limits and disclosure requirements.
- Require any local elected official earning more than \$50,000 per year in government salary to file the same financial disclosure statements that state employees are mandated to file.
- Institute a voluntary public campaign finance system, lower the contribution limit to housekeeping accounts to \$25,000 and require so-called "bundlers" to disclose their identity.

 Create a new independent inspector general for the Port Authority of New York as well as a new inspector general within the State Education Department (SED). The Inspector General for SED would be appointed upon agreement with the Senate and Assembly.

Ethics reform proposal also includes: reforming the Freedom of Information Law (FOIL), enhancing the authority of the State Inspector General, and establishment of a Chief Procurement Officer to overhaul the process of bidding for state contracts.

Important Links

State of State Book:

 $\underline{\text{https://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/2017State} \\ \underline{\text{teoftheStateBook.pdf}}$

State of State Proposals:

https://www.ny.gov/2017-state-state-new-york-promise-agenda/2017-state-state-proposals

State of State Press Release/Web page:

https://www.ny.gov/programs/2017-state-state

Karin Carreau, MSW Carreau Consulting @ The Elk Group

NASW-NYS Policy Consultant

Karin Carreau, MSW, Founder and Principal of Carreau Consulting, has been on the scene at the Capitol for nearly 15 years and as such, has built a strong track record of successes. Throughout her career, Carreau has provided representation on high profile issues in the arenas of juvenile justice, mental health parity, professional scope of practice licensing and continuing education issues, social services and consumer protection. Carreau created the state's Veterans Mental Health Training Initiative and cocreated the state's program on problem gambling: The Problem Gambling Training Partnership.

Carreau has worked extensively with statewide associations to develop strategic organizational policy priorities, craft and implement issue-specific campaigns, construct public relations messaging, cultivate stakeholder engagement, and foster coalition building.